

REPORT OF THE COMMITTEE ON ZONING AND PLANNING

Voting Members:

Ikaika Anderson, Chair; Breene Harimoto, Vice-Chair;
Ann H. Kobayashi, Ron Menor, Kymberly Marcos Pine

Committee Meeting Held
February 6, 2014

Honorable Ernest Y. Martin
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Zoning and Planning, to which was referred
Resolution 13-168 entitled:

“RESOLUTION AMENDING THE CITY POLICY WITH RESPECT TO
HOUSEHOLD INCOME THRESHOLDS FOR AFFORDABLE FOR-SALE
AND/OR RENTAL HOUSING REQUIRED BY UNILATERAL AGREEMENTS,”

introduced on July 22, 2013, reports as follows:

The purpose of Resolution 13-168 is to amend the City policy for affordable
housing with respect to household income thresholds for affordable for-sale and/or
rental housing required by unilateral agreements.

Your Committee considered Resolutions 13-168 and 13-202 concurrently since
their subject matters are closely related.

Councilmember Menor, the introducer of Resolution 13-168 and the proposed
CD1 version, summarized the purpose and intent of the Resolution.
Councilmember Menor explained that he introduced the Resolution, and the proposed
CD1 version, because homes priced at the 140% area median income level are market
priced homes, and more homes are needed at prices affordable to households at the
120% and below AMI level.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON FEB 19 2014

COMMITTEE REPORT NO. 40

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At your Committee's meeting on February 6, 2014, the Director of Planning and Permitting (DPP) and the City's Housing Director stated that the administration has no position at this time on the Resolution. The DPP Director noted that the Administration has formed a working group, which includes affordable housing stakeholders, that is working toward creating a comprehensive strategy to address the city's affordable housing needs.

Upon questioning by Committee Vice-Chair Harimoto, the DPP Director stated that the Administration's working group will evaluate whether the provisions of the CD1 version of Resolution 13-168 should be a part of the proposed affordable housing strategy and report back to the Council.

Your Committee received testimony in support of the Resolution, and/or its CD1 version, from Catholic Charities Hawaii; Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled; EAH Housing; Unite Here Local 5; International Longshore and Warehouse Union; Hawaii Appleseed Center for Law and Economic Justice; and four members of the public. Testimony in opposition to the Resolution, and/or its CD1 version, was received from the Land Use Research Foundation of Hawaii and the Building Industry Association of Hawaii. Comments were received from the University of Hawaii Economic Research Organization and four members of the public.

Your Committee amended the Resolution to the posted CD1 version proposed by Councilmember Menor which provides that at least 30 percent of the total number of dwelling units for projects requiring a zone change shall be affordable to households earning no more than 120 percent of Honolulu's median income, and that at least 15 percent of dwelling units shall be affordable to households earning no more than 80 percent of median income.

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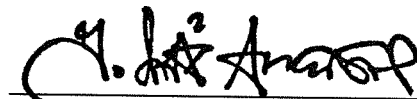
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Your Committee believes that additional public testimony at the public hearing recommended herein to be scheduled on this Resolution will provide further assistance to your Committee and to the Council in their deliberations on this Resolution.

Your Committee on Zoning and Planning recommends that Resolution 13-168 and the proposed Resolution 13-168, CD1, attached hereto (Ayes: Anderson, Harimoto, Kobayashi, Menor – 4; Noes: None; Excused: Pine - 1.), be scheduled for public hearing and be referred back to Committee. (Ayes: Anderson, Harimoto, Kobayashi, Menor, Pine – 5; Noes: None.)

Respectfully submitted,



Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON FEB 19 2014

COMMITTEE REPORT NO. 40



RESOLUTION

PROPOSED

AMENDING THE CITY POLICY WITH RESPECT TO HOUSEHOLD INCOME
THRESHOLDS FOR AFFORDABLE FOR-SALE AND/OR RENTAL HOUSING
REQUIRED BY UNILATERAL AGREEMENTS.

WHEREAS, Resolution 09-241, CD1, established the following as City policy with respect to household income thresholds for affordable housing--either for sale or rent--required by unilateral agreements:

Unilateral Agreement conditions requiring the provision of affordable housing shall, unless otherwise specified in the Unilateral Agreement due to unique circumstances or unusual opportunities, be implemented by requiring that no less than 30 percent of the total number of dwelling units in the project be affordable to households with incomes not exceeding 140 percent of the median income for Honolulu, with no less than 20 percent of the total number of dwelling units being affordable to households with incomes not exceeding 120 percent of the median income, and with no less than 10 percent of the total number of dwelling units being affordable to households with incomes not exceeding 80 percent of the median income;

and

WHEREAS, the foregoing policy is reflected in the City's Affordable Housing Rules for Unilateral Agreements, adopted on February 12, 2010, by the Department of Planning and Permitting; and

WHEREAS, the Council finds that while the foregoing policy has been effective in providing affordable workforce housing for moderate income households, there is a need to provide greater affordable housing opportunities for households in the lower income ranges; and

WHEREAS, the Council therefore desires to amend the policy to expand the range of affordable housing units to be sold or rented to low and moderate income groups; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the following is hereby established as City policy with respect to household income thresholds for affordable housing required by unilateral agreements:

Unilateral Agreement conditions requiring the provision of affordable housing shall, unless otherwise specified in the Unilateral Agreement due to unique



RESOLUTION

circumstances or unusual opportunities, be implemented by requiring that no less than 30 percent of the total number of dwelling units in the project be affordable to households with incomes not exceeding 120 percent of the median income for Honolulu, with no less than 15 percent of the total number of dwelling units being affordable to households with incomes not exceeding 80 percent of the median income;

and

BE IT FURTHER RESOLVED, that this resolution shall supersede Resolution 09-241, CD1, which is hereby repealed; and

BE IT FURTHER RESOLVED that this resolution shall not be deemed to affect, alter, or change any unilateral agreement affordable housing conditions or affordable housing agreements in effect on the date of its adoption; and

BE IT FURTHER RESOLVED that the Department of Planning and Permitting is requested to amend its Affordable Housing Rules for Unilateral Agreements to conform to the foregoing policy; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 13-168, CD1

RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor, the Managing Director, and the Director of Planning and Permitting.

INTRODUCED BY:

Ron Menor

DATE OF INTRODUCTION:

July 22, 2013
Honolulu, Hawaii

Councilmembers